

**Press Release**

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FEBRUARY 5, 2002

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**FOR IMMEDIATE RELEASE**

**BENCHMARK ELECTRONICS REPORTS FOURTH QUARTER RESULTS**

ANGLETON, TX, FEBRUARY 5, 2002— Benchmark Electronics, Inc. (NYSE: BHE) announced sales revenue of \$270 million for the quarter ended December 31, 2001 – compared to \$258 million in the previous quarter and \$490 million in the same quarter of the prior year. Fourth quarter cash net income (excluding amortization of goodwill and restructuring charges, net of tax) was \$3.3 million, a sequential increase of 50% over \$2.2 million in the prior quarter. Diluted cash earnings (excluding amortization of goodwill and restructuring charges, net of tax) per share was \$0.16 for the fourth quarter of 2001, a 45% increase over \$0.11 for the previous quarter of 2001. Diluted cash earnings per share were \$0.52 for the same quarter in the previous year.

Revenue for the year ending December 31, 2001 was \$1.3 billion a 25% decrease from \$1.7 billion of revenue in the previous year. Cash net income (excluding amortization of goodwill and non-recurring charges, net of tax) was \$16 million for the year ending December 31, 2001 compared to \$29 million for the prior year. Diluted cash earnings per share was \$0.81 for the year ended December 31, 2001 compared to \$1.54 per share in the prior year.

On a GAAP basis, the net loss for the quarter was \$0.3 million or \$0.02 per share, compared to net income of \$8.1 million or \$0.40 per share in the previous year and a net loss for the year of \$54.3 million or \$2.77 per share, compared to net income of \$19.9 million or \$1.06 per share in the previous year.

“We are pleased to be one of the first in our industry to benefit from the revenues in our new program introductions and new customer program wins during the fourth quarter of 2001. This is significant since we were one of the first in the industry to feel the effects

of the downturn in the first quarter of 2001. These new programs provided the increase in sequential organic revenue growth in the fourth quarter. Our complex systems integration services combined with our commitment to proactive teaming with our customers and our flexibility proved invaluable in navigating through the past year's rapid and prolonged downturn in our customers' product demand levels. These long-standing fundamentals of our Benchmark culture allowed our team to demonstrate once again for customers our service capabilities and agility. We did this by responding to the negative marketplace changes in 2001 just as rapidly as we responded to the growth periods of 1999 and 2000," commented Cary T. Fu, president of Benchmark Electronics, Inc.

#### **Quarterly Financial Highlights**

- Cash generated from operations was \$69 million in the fourth quarter.
- Fourth quarter revenue grew by 5.0% over the prior quarter.
- Gross margin increased from 7.3% to 7.6%.
- Accounts receivables increased by \$3 million to \$180 million in the fourth quarter as compared to \$177 million in the third quarter. Calculated DSO was 60 days.
- Inventories decreased to \$197 million in the quarter as compared to \$237 million for the third quarter. Inventory turns were 5.1 for the quarter.
- During the fourth quarter the Company recorded \$2.5 million in previously announced restructuring charges.

#### **First Quarter 2002 Guidance**

The Company expects first quarter 2002 revenues in the range of \$275 - \$300 million with corresponding cash earnings per share in the range of \$0.16 - \$0.18, based on current customer indications. The Company does not anticipate any additional restructuring charges in 2002.

This news release contains certain forward-looking statements within the scope of the Securities Act of 1933 and the Securities Exchange Act of 1934. The words "expect," "estimate," "anticipate," "predict," and similar expressions, and the negatives of such expressions, are intended to identify forward-looking statements. Although the Company believes that these statements are based upon reasonable assumptions, such statements involve risks, uncertainties and assumptions, including but not limited to industry and economic conditions, customer actions and the other factors discussed in Benchmark's Form 10-K for the year ended December 31, 2000 and its other filings with the Securities and Exchange Commission. Should one or more of these risks or uncertainties

materialize, or should underlying assumptions prove incorrect, actual outcomes may vary materially from those indicated.

Benchmark Electronics, Inc. is in the business of manufacturing electronics and provides its services to original equipment manufacturers of telecommunication equipment, computers and related products for business enterprises, video/audio/entertainment products, industrial control equipment, testing and instrumentation products, personal computers and medical devices. Benchmark's global operations include facilities in six countries. Benchmark's Common Stock trades on the New York Stock Exchange under the symbol BHE.

A conference call hosted by Benchmark management will be held today at 10:00 am CST to discuss the financial results of the Company and its future outlook. This call will be broadcast via the Internet and may be accessed by logging on to our website at [www.bench.com](http://www.bench.com).

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## Benchmark Electronics, Inc. and Subsidiaries

Consolidated Statements of Income  
(Amounts in Thousands, Except Per Share Data)  
(UNAUDITED)

	Three Months Ended December 31,		Year Ended December 31,	
	<u>2001</u>	<u>2000</u>	<u>2001</u>	<u>2000</u>
Net sales	\$ 269,643	489,658	1,276,950	1,704,924
Cost of sales	<u>249,246</u>	<u>452,801</u>	<u>1,183,440</u>	<u>1,580,817</u>
Gross profit	20,397	36,857	93,510	124,107
Selling, general and administrative expenses	12,977	16,235	54,383	57,871
Restructuring charges	2,475	-	69,289	-
Amortization of goodwill	<u>2,552</u>	<u>3,425</u>	<u>12,219</u>	<u>12,841</u>
Operating income (loss)	2,393	17,197	(42,381)	53,395
Other income (expense):				
Interest expense	(2,823)	(6,145)	(16,998)	(24,396)
Other	73	(211)	1,086	(569)
Total other expense, net	<u>(2,750)</u>	<u>(6,356)</u>	<u>(15,912)</u>	<u>(24,965)</u>
Income (loss) before income taxes	<u>(357)</u>	10,841	<u>(58,293)</u>	<u>28,430</u>
Income tax expense (benefit)	<u>(41)</u>	2,760	<u>(3,981)</u>	<u>8,529</u>
Net income (loss)	<u>\$ (316)</u>	<u>8,081</u>	<u>(54,312)</u>	<u>19,901</u>
Earnings (loss) per share:				
Basic	<u>\$ (0.02)</u>	<u>0.41</u>	<u>(2.77)</u>	<u>1.13</u>
Diluted	<u>(0.02)</u>	<u>0.40</u>	<u>(2.77)</u>	<u>1.06</u>
Earnings per share before restructuring charges:				
Basic	<u>\$ 0.08</u>	<u>0.41</u>	<u>0.39</u>	<u>1.13</u>
Diluted	<u>0.07</u>	<u>0.40</u>	<u>0.38</u>	<u>1.06</u>
Cash	<u>0.16</u>	<u>0.52</u>	<u>0.81</u>	<u>1.54</u>
Weighted average number of shares outstanding:				
Basic	<u>19,651</u>	<u>19,548</u>	<u>19,625</u>	<u>17,578</u>
Diluted	<u>19,651</u>	<u>20,453</u>	<u>19,625</u>	<u>18,718</u>

## Benchmark Electronics, Inc. and Subsidiaries

## Condensed Consolidated Balance Sheet

December 31, 2001

(Amounts in Thousands)

(UNAUDITED)

Assets

## Current assets:

Cash	\$ 59,879
Accounts receivable, net	180,021
Inventories, net	197,278
Other current assets	<u>25,112</u>
Total current assets	462,290

Property, plant and equipment, net	93,805
Other assets, net	12,194
Goodwill, net	<u>119,209</u>
Total assets	\$ <u>687,498</u>

Liabilities and Shareholders' Equity

## Current liabilities:

Current installments of other long-term debt	\$ 22,367
Accounts payable	144,150
Other current liabilities	<u>26,541</u>
Total current liabilities	193,058

Revolving line of credit	-
Convertible subordinated notes	80,200
Other long-term debt, excluding current installments	44,695
Other long-term liabilities	17,863
Shareholders' equity	<u>351,682</u>
Total liabilities and shareholders' equity	\$ <u>687,498</u>